

TRANSMITTAL # 7

MEMORANDUM

November 18, 2010

TO: Workforce Development Council

FROM: Roger B. Madsen, Director *Roger B. Madsen*

SUBJECT: Workforce Investment Act Formula 15% Funds

ACTION REQUESTED: Approval of Plans for WIA Formula 15% Carry-In Funds

BACKGROUND:

The Workforce Investment Act (WIA) funding formula includes the opportunity for the Governor to use 15% of appropriated WIA funds to support statewide workforce activities. Currently, the Workforce Development Council has approved using these 15% formula funds to support activities such as basic administrative staff, the WIA management information system (MIS) and financial management costs, the Workforce Development Council expenses, incentives for workforce partners, funding for youth in need, and optional statewide activities such as funding of additional labor market information and support for Governor Otter's Health Professions Education Council.

Because of the increase in WIA funding from the 2009 American Recovery and Reinvestment Act (ARRA) and because the department did not increase WIA staffing as much as possible with the available ARRA funding, Idaho has \$500,000 in carry-in 15% WIA formula funds in excess of Council approved activities. The department is bringing recommendations for Council approval to effectively utilize these carry-in resources.

RECOMMENDATIONS FOR WIA FORMULA 15 PERCENT CARRY-IN FUNDS:

Staff recommends that \$500,000 in unplanned Governor's WIA 15 percent carry-in funds be used for the following priorities during the current program year:

- To fund the Idaho Youth Corps (IYC), the department's summer youth employment program during 2011. These funds would be used to encourage matching resources from federal, state, and local government partners as well as private partners to continue the summer youth employment projects that have been successfully administered in 2009 and 2010. During 2010 the department spent \$337,413 (including \$210,306 ARRA resources matched with \$127,107 in partner funds) to employ 137 Idaho youth in summer employment projects.

- To fund customized training, on-the-job (OJT) training, and other training activities to increase business expansion opportunities in support of the department's Business Solutions initiative. These funds would also be used to encourage matching resources from Idaho businesses and workforce partners to leverage these resources as much as possible. Finally, these funds would be used to support additional OJT opportunities for WIA customers if we experience excess demand for these opportunities beyond the current funds available for the initiative.
- Should a stand alone WIA Summer Youth program be federally funded by Congress, funds reserved for Summer Youth would be redirected to training opportunities tied to the Business Solutions initiative.

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